

TITLE: TRAVEL AND TOURISM (VUSA) MARKET  
SUBJECT COUNTRY(IES): TURKEY  
POST OF ORIGIN: ANKARA  
SERIES: INDUSTRY SECTOR ANALYSIS (ISA)  
ITA INDUSTRY CODE: TRA  
DATE OF REPORT: 990830  
DELETION DATE: 020930  
AUTHOR: HULYA ARAC  
APPROVING OFFICER: JOHN D. BREIDENSTINE  
OFFICER'S TITLE: COMMERCIAL COUNSELOR  
NUMBER OF PAGES: 15

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#### SUMMARY

In 1998, the United States was the second largest tourism destination worldwide receiving 56 million visitors. For the first time ever, travelers from Western European numbered more than 10 million. Asia, the second largest region for arrivals to the U.S., reflected the downturn of the Asian economy, primarily in the last quarter, but still achieved a record 7.6 million visits in 1998. South American markets performed extremely well, generating over 2.9 million visits to the United States for the same period. In fact, all other overseas regions produced record arrivals to the United States. The Caribbean and Oceania generated nearly 1.7 million arrivals, respectively. Central American visits reached nearly 697,000; the Middle East produced a record with 587,000 arrivals; the emerging Eastern European region grew by 9% with 385,000 visitors; and visitors from Africa topped 258,000 to make 1998 a record setting year.

In spite of challenging economic times and high inflation in Turkey, outbound travel increased 10 percent. Remarkably, Turkish travel to the U.S. has increased over the last 5 years

at an average of 14.6 percent per annum, with 78,219 arrivals in 1998. The market is expected to grow at 5 percent over the next few years. Fifty five percent of Turkish travelers to the United States combine business and pleasure, 30% choose the U.S. for student exchange programs and studying, and 15% visit for official reasons, such as government officials and or/businessmen attending conferences/seminars and exhibitions. Eighty percent of the Turkish citizens traveling to the U.S. are in the upper middle class, reside in the big cities - Istanbul, Ankara, and Izmir and are generally between 25 and 45 years of age.

#### A. MARKET HIGHLIGHTS AND BEST PROSPECTS

Beginning in 1990, several factors convened to encourage the development of outbound tourism in Turkey. Among these are Turkey's burgeoning young population, rapid urbanization, rising cultural level, increased earnings and Turkey's steady growth in international trade. Further, Turkey's liberalization policies and economic transformation from protectionism to open market economy and promotion of economic and trade relations also resulted in sharp increases of business travel abroad. During this period, two factors previously discouraging to international travel, currency restrictions for Turkish travelers and a tax charged (crediting the housing fund) for vacations abroad, were abolished. Outbound travel promises continued long-term growth tied to economic progress and improving demographics in Turkey.

There are approximately 135 leading (by sales volume) wholesalers/tour operators headquartered in Turkey. Of these, about 20 offer package programs for visiting international locations, provide international and domestic ticketing, automobile rentals, hotel reservations and guides. Many of the reliable travel agencies out of the more than 3,200 active in Turkey have incentive and/or congress travel departments and offer full service. Many of the agencies belong to ASTA and JATA, the American and Japanese Travel Agent's Association, and all are members of the International Air Transport Association (IATA) and the Association of Travel Agencies of Turkey (TURSAB). TURSAB delineates three distinct categories of travel agencies dependent upon a firm's activities and capital: Group A agencies perform all the recognized activities of travel agency including tour operating; Group B agencies are confined to ticketing and retailing Group A tours; and Group C agencies organize tours for the domestic market only.

The national flag carrier, Turkish Airlines (THY) together with its subsidiaries, dominates the industry and flies non-stop daily to most major European, Middle Eastern and Asian cities, including Tokyo as well as to New York, Chicago and Miami. Delta Airlines flies non-stop from Istanbul to New York and Atlanta.

Most popular U.S. destinations are New York City for business interests; Washington, DC and San Diego for conferences and seminars; Boston for educational needs; Chicago and Las Vegas for conventions/exhibitions; Florida (Orlando and Miami) and California (San Francisco and Los Angeles) for pleasure travel. The most popular attractions are Universal Studios, Disney World, shopping centers, and American National Parks.

## B. COMPETITIVE SITUATION

### Overall Picture

The top six destinations for Turkish travelers are all short-haul (generally defined as requiring a plane trip of less than four hours). Saudi Arabia is the leading non-European destination for pilgrimage purposes (110,685 arrivals), followed by the U.S. (78,219 arrivals), and Far East countries (66,000 arrivals).

Top Destinations for Turkish Tourists: 1998

COUNTRY	TURKISH ARRIVALS
Germany	212,232
France	83,360
U.K.	80,633
Spain	76,853
Greece	49,589
Italy	47,612

Source: Ministry of Tourism

### Short-Haul Competitor Nations

#### Germany

Turkish travelers represent more than half of all tourist arrivals in Germany. Of these trips, more than half are made by Turkish travelers visiting friends and relatives.

## France

In 1998, 83,360 Turkish travelers, a 15% increase over 1997, visited France. This significant increase in Turkish arrivals propelled France ahead of Spain as the number two destination for Turkish tourists.

## U.K.

An increasing number of Turkish tourists to the U.K. are booking fly/drive vacations to visit both the Republic of Ireland and the U.K.'s adjacent Northern Ireland. In 1996, the tourist boards of the Republic of Ireland and Northern Ireland initiated an all-Ireland tourism promotion campaign to capitalize on this trend, further boosting arrival numbers to both destinations.

## Spain

Turkish visitors to Spain, totaling 76,853, accounted for 23% of inbound travel in 1998. This number exceeded 1998 projections and represented a 10% increase in Turkish arrivals. However, despite the continued increase of Turkish visitors, Spain fell from its 1997 second place ranking to fourth in 1998. In addition to intense consumer advertising, Spain places a significant focus on Turkish travel agents.

## Greece

Turkish tourist arrivals in Greece in 1998 totaled 49,589, a decrease of approximately 8% since 1997. Short-stay travel and/or day trips, such as travelers visiting duty-free shopping destinations such as Rhodes and Crete, account for a medium percentage of Turkish travel to Greece by cruise lines.

## Italy

Increasing attention to the "real" or "hidden" Italy and to adventure travel in Italy reflects a growing trend of Turkish travelers to be more independent and adventuresome on their holidays. The number of independent travelers is steadily increasing, with large growth in the fly/drive holidays, and half of all Turkish travelers to Italy now travel outside of package arrangements.

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### Turkey and its Mediterranean Competitors (1972-1998)

Tourist Numbers  
(Million)

Tourism Receipts  
(Billion \$)

	1972	1998	Yearly Change	1972	1998
Turkey	1.0	8.5	31.2	0.1	5.6
Greece	2.4	8.9	11.2	0.4	3.6
Portugal	3.0	9.9	6.3	0.4	4.2
France	41.5	61.5	2.1	3.5	28.2
Spain	32.5	41.2	1.2	2.6	28.4
Italy	34.9	32.8	-0.25	2.1	27.3

Source: TURSAB (Association of Turkish Travel Agencies), WTO, Ministry of Tourism, Central Bank of Turkey

### C. END-USER ANALYSIS

The Turkish State Institute of Statistics (SIS) estimates 76% of the total number of overseas travelers, pegged at 6.1 million out of an approximately 65 million population, went abroad in 1998 for tourism purposes. Motivation and destination choices of Turkish travelers are driven by cultural events, conferences and meetings, sporting events, visits with relatives/friends, shopping, religious purposes, and of course, vacation categories. The balance is made up by those visiting for business, public service, education, health, work, commerce or "other purposes." Turkish outbound travel is highly seasonal, with August and September being the most popular months for travel.

Turkey is a two to three hour flight from most European and Middle Eastern countries. It is possible, for example, to fly round trip Istanbul-Amsterdam the same day on KLM. European destinations account for 85% of all arrivals abroad.

Traditionally, Turkish people have favored domestic holidays. People not making early hotel or transportation reservations may find themselves staying home, particularly during religious holidays. However, there is a growing desire to travel beyond the border in search of new experiences. Turkish tour operators offer a large variety of local and outbound destinations along with cost competitive airfares and hotel rates. Turks have long considered two weeks to be a minimum vacation period. An increasing trend is towards two or more vacations per year combined with a few short get-away breaks (up to three nights) mixed in.

### D. MARKET ACCESS

Turkish outbound travel increased 10 percent in the face of challenging economic conditions and high inflation. Remarkably, Turkish travel to the United States has increased over the last 5 years at a yearly average of 14.6 percent, with 78,219 arrivals in 1998. The market is expected to grow at 5 percent over the next few years. Fifty five percent of Turkish travelers to the U.S. combine business and pleasure, 30% choose the U.S. for student exchange programs and studying, and 15% visit for official reasons, such as government officials and/or business people attending conferences/seminars and exhibitions. Eighty percent of the Turkish citizens traveling to the U.S. are in the upper middle class, reside in the major metropolitan centers of Istanbul, Ankara, and Izmir, and are generally between 25 and 45 years of age.

#### Conference and Incentive Organizers

Incentive tourism has shown notable growth in the past five years, benefiting from the establishment of destination management companies and larger agencies that have included group travel programs to their services. Many of the incentive travel companies are joint ventures with incentive houses in the UK, Europe, the U.S. and Japan, and offer custom-tailored packages. The 50-member Turkey chapter of the Society of Incentive Travel Executives (SITE) was chartered during the Incentive Travel and Meetings Exposition in Chicago in 1992.

#### Key Players

Tour operators and travel agents are the key players in the Turkish travel industry, and very influential in the consumer's decision-making process. While there are trends indicating more independent travel decisions, the majority of Turks still tend to buy package tours put together and advertised in brochures and newspapers by tour operators.

After a product is in the tour operators' catalogs/brochures, American companies selling tourism products need to launch sustained product promotion and travel agent education programs. Mailings are a productive and a low-cost way of reaching travel agent.

#### Advertising

There is no point in generating consumer demand for a product if it is not being offered by travel agents. Advertising to the travel trade should be launched just before, or concurrent with,

your consumer advertising. Sponsoring a "win a trip" contest in cooperation with a newspaper, magazine, TV channel, or radio station is a sure-fire promotional tool in Turkish market.

## Benefits of Travel Agency Programs

As nonimmigrant visa demand grows, U.S. government consular managers need to find new ways of improving their operations' efficiency. Many posts, including Turkey, find local travel agencies a convenient channel for potential travelers to submit nonimmigrant visa applications. While travel agents are mostly interested in handling tourists and business travelers, a U.S. Government program to accept nonimmigrant visa applications through travel agencies (or other intermediaries) is a potential means of facilitating travel to the U.S. and increasing business for participating local travel agencies. There are 56 travel agencies participating in this Post's consular program. The six largest of these firms are listed in the Key Contacts section of this report.

## VUSACOM

CS Ankara is in the process of forming the Visit USA Committee to promote travel to the U.S. from Turkey. Membership in the Turkish Visit USA Committee will be inclusive of all aspects of the travel industry including airlines, tour operators, marketing companies, hotel and resort operators, travel agencies and associations, all of which provide tour related services to the U.S. The Visit USA Committee will play an active role in promoting travel from Turkey to the U.S. following the recognition of the Committee as an official U.S. tourism body in Turkey.

## Key Contacts

### Relevant association

Name: ASSOCIATION OF TURKISH TRAVEL AGENCIES (TURSAB)  
Address: Fulya Asik Kerem Sokak No. 48/50  
Dikilitas Mah., Besiktas, Istanbul, Turkey  
Phone: [90] (212) 259-8404  
Fax: [90] (212) 259-0656  
E-mail: [tursab@sim.net.tr](mailto:tursab@sim.net.tr)  
Internet: <http://www.tursab.org.tr>  
Contact: Mr. Talha Camas, Chairman  
Activity: Prepares and submits reports to concerned public authorities reflecting its members opinion and observations on

matters related to the travel industry. The association also provides technical counsel in the determination of general policies concerning the tourism and travel industry sector. TURSAB strengthens professional solidarity among the travel agencies and leads the sector in publishing, being the most organized body in the sector.

#### Major Tour Operators Organizing Tours to the U.S.

Name: ASYA TUR  
Address: Cumhuriyet Caddesi 245, Harbiye, Istanbul, Turkey  
Phone: [90] (212) 296-2880  
Fax: [90] (212) 233-5973  
E-mail: [asyatur@turk.net](mailto:asyatur@turk.net)  
Internet: <http://www.asyatur.com.tr>  
Contact: Mr. Ibrahim Bezci and Mr. Haldun Bezci, Owners

Name: BIEN TOURS  
Address: Cumhuriyet Cad. 203/3, Harbiye, Istanbul, Turkey  
Phone: [90] (212) 225-5543  
Fax: [90] (212) 225-0776  
E-mail: [bientours@superonline.com](mailto:bientours@superonline.com)  
Contact: Mr. Ilkay Felek, Owner

Name: DURU TURIZM  
Address: Cumhuriyet Caddesi 259, Harbiye, Istanbul, Turkey  
Phone: [90] (212) 231-9000  
Fax: [90] (212) 241-7158  
E-mail: [ebim@duru.com.tr](mailto:ebim@duru.com.tr)  
Internet: <http://www.duru.com.tr>  
Contact: Mr. Yusuf Duru, Owner  
Mr. Yusuf Ay, General Manager

Name: TRAVEL CLUB INTERNATIONAL  
Address: Istiklal Caddesi, Lale Han No. 87, Kat: 1  
Taksim, Istanbul, Turkey  
Phone: [90] (212) 293-1975  
Fax: [90] (212) 249-5295  
E-mail: [travelclub@turk.net](mailto:travelclub@turk.net)  
Contact: Mr. Kayhan Calakel

Name: SETUR  
Address: Cumhuriyet Caddesi 107, Elmadag, Istanbul, Turkey  
Phone: [90] (216) 474-0600  
Fax: [90] (216) 474-0682  
E-mail: [setur@.com.tr](mailto:setur@.com.tr)  
Contact: Ms. Semahat Arsel, Owner



Mr. Vedat Bayrak, General Manager

Name: VIP TURIZM  
Address: Cumhuriyet Caddesi 271, Harbiye, Istanbul, Turkey  
Phone: [90] (212) 230-1331  
Fax: [90] (212) 225-0644 or 241-1995  
E-mail: [vip@viptourism.com.tr](mailto:vip@viptourism.com.tr)  
Internet: <http://www.viptourism.com.tr>  
Contact: Mr. Serdar Goren, Manager, Outbound Travel

Six largest Travel Agencies Participating in Visa Application Program:

Name: ALABANDA  
Address: Cinnah Caddesi 67/B, Cankaya, Ankara, Turkey  
Phone: [90] (312) 440-5600  
Fax: [90] (312) 439-5935  
E-mail: [alabanda@ada.com.tr](mailto:alabanda@ada.com.tr)  
Contact: Mr. Ahmet Refik Kutluer, General Manager

Name: BABIL SEYAHAT VE TURIZM LTD. STI.  
Address: Guniz Sokak 32/1-2, 06700 Kavaklidere, Ankara  
Phone: [90] (312) 467-3610  
Fax: [90] (312) 467-9916  
E-mail: [babistro@tr-net.net.tr](mailto:babistro@tr-net.net.tr)  
Contact: Mr. Tuncer Sert, Owner/General Manager

Name: IREMTUR  
Address: Cumhuriyet Caddesi 189, Harbiye, Istanbul, Turkey  
Phone: [90] (212) 234-4708  
Fax: [90] (212) 296-2692  
E-mail: [iremtur@dominet.in.com.tr](mailto:iremtur@dominet.in.com.tr)  
Contact: Mr. Suha Alnitemiz, Owner/General Manager

Name: LETON SEYAHAT TURIZM VE TIC. LTD. STI.  
Address: Cihan Sokak 1/5, 06430 Sıhhiye, Ankara, Turkey  
Phone: [90] (312) 231-1050 or 232-0814  
Fax: [90] (312) 231-9051  
E-mail: [leton-f@tr-net.net.tr](mailto:leton-f@tr-net.net.tr)  
Contact: Mr. Sadik Coskun, Owner/General Manager

Name: PARASOL TURIZM  
Address: Kuzgun Sok, 97/4, 06540 A.Ayranci, Ankara, Turkey  
Phone: [90] (312) 440-8862  
Fax: [90] (312) 441-4755  
E-mail: [parasol@superonline.com](mailto:parasol@superonline.com)  
Contact: Mr. Gokhan Korkmaz, Owner/General Manager

Name: ULUSOY TURIZM VE SEYAHAT A.S.  
Address: Inonu Cad. 67/A, Gumussuyu, Taksim, Istanbul  
Phone: [90] (212) 251-6104  
Fax: [90] (212) 249-2755 or 249-9011  
E-mail: [s.karabul@prizmanet.com.tr](mailto:s.karabul@prizmanet.com.tr)  
Contact: Mr. Selahattin Karabulut, General Manager

## TRADE PROMOTION OPPORTUNITIES

### *Trade Events:*

**EMITT'2000**-East Mediterranean International Travel and  
Tourism Exhibition - February 18-21, 2000  
Istanbul

This is the principal annual international trade event in Turkey. EMITT is an excellent forum to reach the industry in Turkey and other parts of Europe. EMITT provides market exposure and a chance to observe more experienced exhibitors' marketing strategies and the offerings from competing nations. EMITT is supported by the World Tourism Organization and is organized by ITE Travel of the U.K. and Ekin Yazim Merkezi of Turkey.

Contact the EMITT show organizers directly for  
Participation Information at the following addresses:

International Trade & Exhibitions Group  
Byron House, 112A Shirland Road  
London W9 2EQ, U.K.  
Tel: +44-171-286-9720  
Fax: +44-171-286-0177  
E-mail: [T+T@ITE-Exhibitions.com](mailto:T+T@ITE-Exhibitions.com)  
Contact: Ms. Hibba Bilal, International Event Manager

Ekin Yazilim Merkezi  
Halaskargazi Caddesi 97/5  
Harbiye, Istanbul, Turkey  
Tel: [90] (212) 233-9754 or 230-5341  
Fax: [90] (212) 247-4460 or 230-4518  
E-mail: [ekinym@superonline.com](mailto:ekinym@superonline.com)  
Contact: Ms. Ozgul Kaplan, Project Executive

**International Pow Wow** - May 2000  
Miami, Florida

This annual U.S.-based trade show, organized by the Travel Industry Association of America (TIA) is the forum for U.S. tourism product sellers and buyers from around the world to meet and plan programs for the coming year and beyond. For more information please contact:

Travel Industry Association of America  
1100 New York Avenue, N.W.  
Washington, DC 20005-3934  
Tel: (202) 408-8422  
Fax: (202) 408-1255

*Publications:*

- Travel Guide
- Regional brochures and maps
- Promotional Publications  
(Annual publications of the Ministry of Tourism,  
General Directorate of Information  
06100 Ankara, Turkey  
Tel: [90] (312) 213-7460; Fax: 213-9023  
Internet: <http://turizm.gov.tr>  
Contact: Mr. Mustafa Siyahhan, Director General)
- Tour-Key of Turkey
- Destination Report-Turkey
- The Travel Agency Guide  
(Biannual publications of TURSAB-Association of Turkish  
Travel Agencies)
- Hotel Guide (annual)
- Tourism Industry Catalog (annual)
- TURSAB Tourism Magazine (per two months)
- Hotel Magazine (per three months)
- Tourism Investors Association Magazine (monthly)
- Turkey's Holiday Directorate (annual)
- Voyager Directory (annual)  
(Publications of Ekin Yazim Merkezi  
Address: Halaskargazi Caddesi 97/5  
80200 Harbiye, Istanbul, Turkey  
Tel: [90] (212) 233-9754; Fax: 230-5341  
E-mail: [ekinym@superonline.com](mailto:ekinym@superonline.com)  
Contact: Mr. Halim Bulutoglu, Director General)



## ISA Customer Satisfaction Survey

U.S. Department of Commerce  
\* International Trade Administration\*  
The Commercial Service

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The U.S. Department of Commerce would appreciate input from U.S. businesses that have used this ISA report in conducting export market research. Please take a few moments to complete the attached survey and fax it to 202/482-0973, mail it to QAS, Rm. 2002, U.S. Department of Commerce, Washington, D.C. 20230, or  
Email: Internet [Opfer@mail.doc.gov].  
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\* \* \* About Our Service \* \* \*

1. Country covered by report: \_\_\_\_\_  
Commerce domestic office that assisted you (if applicable): \_\_\_\_\_

2. How did you find out about the ISA service?

- ☐ Direct mail
- ☐ Recommended by another firm
- ☐ Recommended by Commerce staff
- ☐ Trade press
- ☐ State/private newsletter
- ☐ Department of Commerce newsletter
- ☐ Other (specify): \_\_\_\_\_

3. Please indicate the extent to which your objectives were satisfied:

- 1-Very satisfied      2-Satisfied
- 3-Neither satisfied nor dissatisfied
- 4-Dissatisfied      5-Very dissatisfied
- 6-Not applicable

- ☐ Overall objectives
- ☐ Accuracy of information
- ☐ Completeness of information
- ☐ Clarity of information
- ☐ Relevance of information
- ☐ Delivery when promised
- ☐ Follow-up by Commerce representative

4. In your opinion, did using the ISA service facilitate any of the following?

- ☐ Decided to enter or increase presence in market
- ☐ Developed an export marketing plan
- ☐ Added to knowledge of country/industry
- ☐ Corroborated market data from other sources
- ☐ Decided to bypass or reduce presence in market
- ☐ Other (specify): \_\_\_\_\_

5. How likely would you be to use the ISA service again?

- ☐ Definitely would
- ☐ Probably would
- ☐ Unsure
- ☐ Probably would not
- ☐ Definitely would not

6. Comments:

\_\_\_\_\_

\* \* \* About Your Firm \* \* \*

1. Number of employees: ☐ 1-99 ☐ 100-249 ☐ 250-499  
☐ 500-999 ☐ 1,000+

2. Location (abbreviation of your state only): \_\_\_\_\_

3. Business activity (check one):

- ☐ Manufacturing
- ☐ Service
- ☐ Agent, broker, manufacturer's representative
- ☐ Export management or trading company
- ☐ Other (specify): \_\_\_\_\_

4. Export shipments over the past 12 months:

☐ 0-1 ☐ 2-12 ☐ 13-50 ☐ 51-99 ☐ 100+

May we call you about your experience with the ISA service?

Company name: \_\_\_\_\_

Contact name: \_\_\_\_\_

Phone: \_\_\_\_\_

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Thank you--we value your input!

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This report is authorized by law (15 U.S.C. 1512 et seq., 15 U.S.C. 171 et seq.). While you are not required to respond, your cooperation is needed to make the results of this evaluation comprehensive, accurate, and timely. Public reporting burden for this collection of information is estimated to average ten minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Reports Clearance Officer, International Trade Administration, Rm. 4001, U.S. Dept. of Commerce, Washington, D.C. 20230, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0625-0217), Washington, D.C. 20503.

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FORM ITA 4130P-I (rev. 5/95)

OMB. No. 0625-0217; Expires 05/31/2002